United Nations A/66/442/Add.3

General Assembly

Distr.: General
12 December 2011

Original: English

Sixty-sixth session
Agenda item 21 (c)

Globalization and interdependence: development cooperation with middle-income countries

Report of the Second Committee*

Rapporteur: Mr. Raymond **Landveld** (Suriname)

I. Introduction

1. The Second Committee held a substantive debate on agenda item 21 (see A/66/442, para. 2). Action on sub-item (c) was taken at the 34th and 39th meetings, on 10 November and 6 December 2011. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/66/SR.34 and 39).

II. Consideration of draft resolutions A/C.2/66/L.18 and A/C.2/66/L.78

2. At the 34th meeting, on 10 November, the representative of Argentina, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "Development cooperation with middle-income countries" (A/C.2/66/L.18), which read:

> "*The General Assembly*,
>
> "*Recalling* the outcomes of the United Nations major international conferences and summits, including the United Nations Millennium Declaration and the 2005 World Summit Outcome, as well as the relevant provisions of General Assembly resolutions,
>
> "*Reaffirming* its resolution 62/208 of 19 December 2007, entitled 'Triennial comprehensive policy review of operational activities for development of the United Nations system', in which it recognized that

* The report of the Committee on this item is being issued in four parts, under the symbol A/66/442 and Add.1-3.

Please recycle

middle-income developing countries still face significant challenges in the area of poverty eradication and that efforts to address those challenges should be supported in order to ensure that achievements made to date are sustained, including through support to the effective development of comprehensive cooperation policies,

"*Recalling* its resolutions 63/223 of 19 December 2008 and 64/208 of 21 December 2009,

"*Reaffirming* that the fundamental characteristics of the operational activities for development of the United Nations system should be, inter alia, their universal, voluntary and grant nature, their neutrality and their multilateralism, as well as their ability to respond to the development needs of programme countries in a flexible manner, and that the operational activities are carried out for the benefit of programme countries, at the request of those countries and in accordance with their own policies and priorities for development,

"*Underscoring* that there is no 'one size fits all' approach to development and that development cooperation by the United Nations development system should be able to respond to the varying development needs of programme countries and should be in alignment with their national development plans and strategies in accordance with its mandates,

"*Taking note* of the outcomes of the international conferences on development cooperation with middle-income countries held in Madrid, El Salvador and Windhoek, and the regional conference on the theme 'Increasing the competitiveness of African middle-income countries', held in Cairo,

"*Recalling* all of the principles supported by the United Nations system, including the principles of predictability, universality and progressivity, and reaffirming the importance of providing strategic support to all programme countries, including middle-income and least developed countries, upon request of the recipient Government, in order to address their specific needs,

"*Noting* that national averages based on criteria such as per capita income do not always reflect the actual particularities and development needs of the middle-income countries, and recognizing the significant diversity of middle-income countries,

"*Recognizing* the need to review the classification criteria of the agencies, funds and programmes of the United Nations for middle-income countries and adapt them to the particular development challenges of all developing countries,

"*Recalling* that, despite notable reductions in extreme poverty, middle-income countries as a group are still home to approximately 64 per cent of the world population that lives in severe poverty,

"*Recognizing* that high levels of income inequality constitute an underlying factor in the vulnerability of middle-income countries and constrain human development in most of those countries and that progress in poverty reduction is often not in tandem with high rates of growth in many middle-income countries,

"*Recognizing* that, despite the achievements and efforts of middle-income countries, a significant number of people are still living in poverty and inequalities remain, and that further investment in social services and economic opportunities, are needed in order to reduce those inequalities,

"*Stressing* that middle-income countries continue to face particular challenges, inter alia, in the creation of jobs for their youth, the diversification of their economies, the development of technologies and access to international markets, and, in this regard, that it is essential that the international community pay due attention to those challenges,

"*Expressing deep concern* that some middle-income countries are highly indebted and, as such, are at risk of severe debt distress, particularly with the onset of the current global financial and economic crisis,

"1. *Takes note* of the report of the Secretary-General;

"2. *Recognizes* that middle-income countries still face significant challenges in their efforts to achieve the internationally agreed development goals, including the Millennium Development Goals, and, in that regard, underlines the importance of international support, through various forms, that is well aligned with national priorities to address the development needs of middle-income countries;

"3. *Acknowledges* the efforts made and successes achieved by many middle-income countries to eradicate poverty and achieve the internationally agreed development goals, including the Millennium Development Goals, as well as their significant contribution to global and regional development and economic stability;

"4. *Recognizes* that middle-income developing countries still face significant challenges in the area of poverty eradication and that efforts to address those challenges should be supported in order to ensure that achievements made to date are sustained, including through support to the effective development of comprehensive cooperation policies;

"5. *Reaffirms* the increased importance of South-South cooperation, and in this regard encourages Member States and the funds, programmes, specialized agencies and other entities of the United Nations system involved to mainstream support to South-South cooperation and triangular cooperation to help developing countries, at their request and with their ownership and leadership, to develop capacities to maximize the benefits and impact of South-South cooperation and triangular cooperation in order to achieve their national goals, with special emphasis on internationally agreed development goals, including the Millennium Development Goals;

"6. *Underlines* the need for sustained efforts towards achieving debt sustainability in middle-income countries in order to avoid a debt crisis, and to that end notes and encourages further efforts by international financial institutions to enhance facilities for them;

"7. *Recalls* that development cooperation has the potential to promote intersectoral approaches to policy and programmes and public-private partnerships and to facilitate peer-to-peer engagement, capacity-development and the sharing of experiences and successes within and across regions;

"8. *Invites* the international community, including international financial institutions, to further strengthen their support to the development efforts of middle-income countries through targeted technical cooperation, provision of resources, technology transfer and capacity-building, as appropriate, while taking into account their national priorities and development policies;

"9. *Calls upon* the international community to continue to further undertake timely, appropriate and targeted measures to address the new and additional challenges that the current economic and financial crisis has imposed on middle-income countries, on a case-by-case basis, based on the specific needs and national priorities of each of those countries;

"10. *Notes* that development cooperation between the United Nations system and middle-income countries needs to be strengthened, including by aligning the programming of United Nations activities much more closely with national strategies and policies and the specific existing and emerging needs of middle-income countries;

"11. *Invites* the United Nations development system, in particular the funds and programmes, and at the regional level, in accordance with their respective mandates, to improve support, as appropriate, to middle-income countries and to improve coordination and exchange of experiences with other international organizations, international financial institutions and regional organizations in this field, as well as to align the programming of its activities more closely with national development strategies;

"12. *Stresses* that core resources, because of their untied nature, continue to be the bedrock of the operational activities for development of the United Nations system, and, in this regard, notes with concern that the share of core contributions to United Nations funds and programmes has declined in recent years and recognizes the need for organizations to address, on a continuous basis, the imbalance between core and non-core resources;

"13. *Decides* to create a specialized unit within the Department of Economic and Social Affairs of the Secretariat to follow up the implementation of the present resolution and to address the particular development challenges of middle-income countries;

"14. *Requests* the Secretary-General to submit to the General Assembly at its sixty-eighth session a report on the implementation of the present resolution, and decides to include in its provisional agenda, under the item entitled 'Globalization and interdependence' a sub-item entitled 'Development cooperation with middle-income countries'."

3. At its 39th meeting, on 6 December, the Committee had before it a draft resolution entitled "Development cooperation with middle-income countries" (A/C.2/66/L.78), submitted by the Vice-Chair of the Committee, Bitrus Vandy Yohanna (Nigeria), on the basis of informal consultations on draft resolution A/C.2/66/L.18.

4. At the same meeting, upon the proposal of the Chair, the Committee agreed to waive rule 120 of the rules of procedure of the General Assembly and proceed to act on draft resolution A/C.2/66/L.78.

5. Also at the same meeting, the Committee was informed that draft resolution A/C.2/66/L.78 had no programme budget implications.

6. Also at its 39th meeting, the Committee adopted draft resolution A/C.2/66/L.78 (see para. 9).

7. After the adoption of the draft resolution, statements were made by the representatives of Argentina, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, and Mexico (see A/C.2/66/SR.39).

8. In the light of the adoption of draft resolution A/C.2/66/L.78, draft resolution A/C.2/66/L.18 was withdrawn by its sponsors.

III. Recommendation of the Second Committee

9. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

Development cooperation with middle-income countries

The General Assembly,

Recalling the outcomes of the United Nations major international conferences and summits, including the United Nations Millennium Declaration[1] and the 2005 World Summit Outcome,[2] as well as the relevant provisions of General Assembly resolutions,

Reaffirming its resolution 62/208 of 19 December 2007, entitled "Triennial comprehensive policy review of operational activities for development of the United Nations system", in which it recognized that middle-income developing countries still face significant challenges in the area of poverty eradication and that efforts to address those challenges should be supported in order to ensure that achievements made to date are sustained, including through support to the effective development of comprehensive cooperation policies,

Recalling its resolutions 63/223 of 19 December 2008 and 64/208 of 21 December 2009,

1. *Takes note* of the report of the Secretary-General;[3]

2. *Stresses* the importance of the continued substantive consideration of the issue of development cooperation with middle-income countries;

3. *Requests* the Secretary-General to submit to the General Assembly at its sixty-eighth session a report on development cooperation with middle-income countries, and decides to include in its provisional agenda, under the item entitled "Globalization and interdependence" the sub-item entitled "Development cooperation with middle-income countries".

---

[1] See resolution 55/2.

[2] See resolution 60/1.

[3] A/66/220.